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### BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268–0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE
CONTRACT 186 (MC2021–57)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2021-59

### USPS NOTICE OF AMENDMENT TO PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 186, FILED UNDER SEAL

(May 25, 2022)

The Postal Service hereby provides notice that the terms of Priority Mail & First-Class Package Service Contract 186, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail & First-Class Package Service Contract 186 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day following the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Sean C. Robinson

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### ATTACHMENT A

### REDACTED AMENDMENT TO

### PRIORITY MAIL & FIRST-CLASS PACKAGE SERVICE CONTRACT 186

# AMENDMENT #1 OF SHIPPING SERVICES CONTRACT BETWEEN THE UNITED STATES POSTAL SERVICE

**AND** 

# REGARDING PRIORITY MAIL SERVICE AND FIRST-CLASS PACKAGE SERVICE

WHEREAS, the United States Postal Service (the "Postal Service") and ("Customer") entered into a Shipping Services Contract, Priority Mail & First-Class Package Service Contract 186/Docket No. CP2021-59, regarding Priority Mail and First-Class Package Service on December 23, 2020.

WHEREAS, the Parties desire to amend the terms of the Contract by amending Section IV; and adding new Section I.M and Table E to the Contract.

NOW, THEREFORE, the Parties agree that the Contract is hereby amended as detailed below. The existing Contract remains unchanged in all other respects. This Amendment shall become effective one (1) business day following the day on which the Commission issues all necessary regulatory approval.

[Replace Section IV; and adding new Section I.M and Table E to the Contract, as follows.]

#### I. Terms

- M. Surcharges, Additional Fees and Time-Limited Price Changes.
  - 1. To the extent the Postal Service promulgates a surcharge, additional fee, or time-limited price change, applicable to the products defined and referenced in Term I.B, during the term of this Contract, such surcharge, fee, or time-limited price change will be applied to the then applicable prices for those products under this Contract, subject to the same terms as such surcharge or fee is applied to the prices of general applicability for those products, respectively, as calculated by the Postal Service.
  - 2. The surcharge, fee, or time-limited price change shall not be considered the "most recent price change" for the purposes of the Annual Adjustment provision in Section I.J.

- 3. The Postal Service reserves the right to forego an increase pursuant to this section, or increase by a lesser amount (but no less than zero), at its sole discretion.
- 4. On the latter of April 3, 2022, or the Effective Date of this Amendment, the following customized nonstandard fees will be charged on all Priority Mail packages, excluding packages referenced in 6.a below, tendered by Customer to the Postal Service under this Contract, pursuant to Table E below.



- 5. Customer will pay the prevailing published Dimension Noncompliance Fee for all packages under this Contract not in compliance with the applicable requirement.
- 6. The following packages will not be eligible for the customized Nonstandard Fees in Table E, and will be charged the prevailing published Nonstandard Length, Nonstandard Volume and Dimension Noncompliance Fees:
  - a. Priority Mail packages originating from and/or addressed to the ZIP Codes in Table A.
- 7. Custom Nonstandard Length and Volume Fees will be adjusted throughout the term of the Contract whenever published Nonstandard Length and Volume Fees are changed by the Postal Service. Custom Fees will increase by the percentage increase of the published fee for the applicable product category.
- 8. If published Nonstandard Fees decrease or remain the same, there will be no change to the custom fees provided in this Amendment, unless during the term of the Contract, the discounted Non-Standard Fees exceed Published Prices, the Customer shall pay the prevailing Published Fee.

### IV. Appeals

Customer may appeal a Postal Service decision regarding the calculation of prices, the amount of postage paid, or other implementation or operational issues under this Contract by submitting a written appeal via email, along with any and all supporting documentation, within thirty (30) calendar days of receipt of notification of the determination giving rise to the appeal to:

The appeal is forwarded to the Pricing and Classification Service Center (PCSC). The PCSC manager issues the final agency decision. Any decision that is not appealed as prescribed becomes the final agency decision.

IN WITNESS	WHEREOF,	the Parties	hereto have	caused tl	his Amendment	to be duly
executed as of	the later date	below.				

UNITED STA
Signed by:
Printed Name: Jacqueline Strako
Title: Chief Commerce & Business Solutions Officer and Executive Vice President
Date:

## ATTACHMENT B SIGNED CERTIFICATION

### **Certification of Prices for Amendment to**

### **Priority Mail Express & First-Class Package Service Contract 186**

I, Lisa H. Arcari, Director, Domestic Package Pricing, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Express & First-Class Package Service Contract 186. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 19-1).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Lisa Arcari Date: 2022.05.24 15:04:51 -04'00'

Lisa H. Arcari